

*J.D.R.C., Inc.*  
*John Dannreuther Rare Coins, Inc.*

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August 26-27, 1998

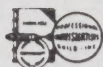
Dear Eric:

How true! It is a shame that we have not become numismatic friends before now. However, until I was made Director of Research for PCGS two years ago, I was a full-time coin dealer and grader. This newly found freedom allowed me the time to write the grading book (I am glad you have found it interesting. I must point out that David Hall is the one who called me a "W.C.N.G." If you know David, you probably know that he occasionally uses hyperbole.) I tried to make it a book that could be enjoyed by novice collectors, advanced collectors, investors, and serious numismatists such as yourself.

I was disappointed that my name was not on the cover, but the covers were printed in advance and Random House thought it would sell better with the well-known names of Dave Bowers and Scott Travers in a prominent position. The first printing of 20,000 has nearly sold out and a second printing of 10,000 is in the works. Maybe I should see if the covers have already been printed for the second printing? (My next work will have my name on the cover – that work is in progress and will be published sometime next year. I will certainly have hard-cover copies made for my second book. I did ask for 500-1000 hardbound grading books but was turned down.)

I cannot, however, take credit for the three chapters about counterfeits. I wrote 11 of the 14 chapters of the grading book but Rick Montgomery wrote the 3 chapters on counterfeits. Bruce Amspacher rewrote these 3 chapters and I edited them and made some changes, so I did have something to do with them. I do like your suggestion of differentiating between counterfeits and forgeries. A second edition with hundreds of additional photos is being discussed and if that comes to fruition, I will incorporate that change in the counterfeit section. I think the word forgeries better describes those coins meant to deceive whereas counterfeit should refer to just contemporary counterfeits.

Now, to attempt to answer your questions – although in no particular order. First I will address the term open collar about which you inquired and which I consider to be a misnomer. All collars are closed collars – even the Peter Droz segmented collar is a closed collar, just in multiple pieces. (Breen attributes the term collar die to you for the close or closed collar. As usual, this is very astute as the close or closed collar is actually a third die.) Breen and others have used the term open collar to refer to the positioning collar used prior to the introduction of the close collar (collar die) in 1836 at the Mint. (Of course, foreign mints used collar dies prior to 1836.) Breen states that "Earlier issues had been struck in an open collar, which positioned the blanks on the rev. die but did not confine them, as this would have flattened edge reeding or lettering." (Breen *Encyclopedia* p. 305). I recall reading (I think it was in the *John Reich Journal*) that there was perhaps an eighth of an inch around the planchet before it was struck. Since the planchet would have been work hardened after lettering or reeding had been imparted by the Castaing machine, it would expand upon striking but not touch the restraining or open collar or, as Breen noted, the edges would have been crushed. The restrike crushed lettered edge Proof half dollars of 1833-35 are but one example of what happens to lettering in a close collar or collar die! (A plain collar die in this case.) Again, technically speaking, these early strikings did not have collar dies but probably had what should best be called a positioning or restraining collar. I don't know where the term open collar originated, but I have heard it for years, Breen and others used it, so I "went with the flow." Perhaps I should have called it a positioning or restraining collar to prevent confusion. Just as stellas have been collected for years as part of the regular gold series (they are obviously patterns), some traditions are fairly well entrenched – so I used the term open collar. However, I agree with you. It is a poor term, in fact an oxymoron. Perhaps I will write an article for the PCGS quarterly-issued *Market Report* clarifying this issue. As usual, your comments are very astute! I did notice that under the definition of close(d) collar in the Glossary of the grading book, it is noted that "open and close collars are both closed collars..." Still, it is a confusing term.





As far as Bay Area counterfeits are concerned, I personally feel that these coins are struck fakes. However, I do not necessarily agree with Rick Montgomery that the dies are transfer or impact dies. I feel the dies were prepared by either the spark erosion method or some form of casting (the numerous "pebbles" on these coin's surfaces certainly makes this seem likely). As noted above, Rick Montgomery wrote the three chapters about counterfeits. I did give Rick a call and he replied that because of the doubling seen on several of the half cents and large cents, he felt that the dies had been made by the transfer or impact method. This seems possible and I understand his position also. (He conceded the fact that the dies could be cast or spark erosion – the "bubbly" surface is hard to explain from the impact die method, just as the doubling is hard to explain by casting!) Obviously, more research is needed on these fakes. There are very few times that I disagree with something you have said or written, but I do **not** think the coins themselves are cast. (I believe they are struck because of the repeating depressions and "bubbles" which would not be constant on individually cast pieces.) I do not think I have seen any of the fake colonials you referred to in your letter, obviously they may indeed be cast pieces. Jack Beymer was one of the first individuals to identify these coins 10-15 years ago (the half cents, large cents, Indian cents, etc.), so perhaps he has some information on their origin. I will ask him at the Long Beach show in October and will let you know what he has to say. The reason they are called Bay Area counterfeits is only because they appeared there. They certainly could have been produced elsewhere. (Rick and I both agree, however, that they are struck fakes, just the method of die manufacture is in question.)

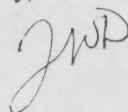
I certainly am glad that I now have time to do research and writing. I have two children (10 and 13) and, as stated earlier, I have had to earn a living by being a dealer/grader until now. With my new freedom (I also am in charge of the Daily Price Guide on the internet for Coin-Universe), I am able to do many non-commercial things I have wanted to do for years. Getting paid for doing this is the "enabler" for me to support my family and pursue my first love – writing. (From the length of this letter that is obvious!)

Becoming friends with you is "icing on the cake" for this job. I would love to come to St. Louis sometime (its only a five-hour drive) and "talk" coins with you. Hopefully, someday we can arrange this. Writing letters is informative but face-to-face talks have always been my favorite method of coin research. I have spent countless hours (usually at night after coin shows) talking with such luminaries as Kam Ahwash, Jack Collins, Walter Breen, Jimmy Hayes, David Hall, Bruce Amspacher, etc. I started collecting in the mid-1950s but as a kid with little money, could not travel very far. My father was also a collector and we had a small mail order business in the 1950s mainly advertising in *Numismatic News* classified ads (3 different Indian Head cents for 35 cents, etc.). Of course, there was no *Coin World* until 1960! I did attend a few coin shows in the 1950s including one in Greenville, Mississippi where a 1913 Liberty Head nickel was exhibited (I believe you know a little about these as you handled some of them (all?) from the B.G. Johnson estate). J.V. McDermott, who had carried his example around in his pocket for years (worn to EF or slightly less), sent this rarity by registered mail to Dr. D.C. Montgomery for this exhibition. When I saw the guard – holding some form of automatic weapon – standing next to the 1913 nickel exhibit, I was in awe! This ten-year old, already hooked on coins, was in numismatic heaven! I really wish I could have met Mehl, Raymond, and others but we have no control over our dates of birth! I am sure you have great stories about many of the luminaries about whom I have only read – and heard the stories of Breen and others.

Looking forward to hearing from you again.

Sincerely,

JD



P.S. I got your 3<sup>rd</sup> letter today (I had better finish this one and mail it before I get your 4<sup>th</sup>!). Anyway, I asked Rick Montgomery to provide you with photos of a bogus 1852 Assay Office \$10. However, upon quizzing him, he could not remember seeing a \$10 dated 1852. I personally have seen dozens of the Franklin hoard 1853 \$20 coins but never a 1852 Assay \$10 that I questioned. I think I questioned Rick



about this when I was rewriting this chapter and at that time he vaguely remembered a \$10 dated 1852 so I left it in the section. The Humbert \$20's of 1852 (all known are overdates) do come proof-like and of course there is the superb Proof 1852/1 Garrett specimen which PCGS graded PR65.

P.S. 2 After quizzing Rick a second time on this matter, he thinks you caught us! The paragraph that states "...the 1852 ten-dollar Assay piece is likewise prooflike, and exhibits repeating depressions. The most prominent is a circular depression between the N and I of CALIFORNIA on the reverse." is in error!!! That depression is on some, not all, of the 1853 Assay \$20 Franklin hoard coins! Another good catch to be corrected in the 2<sup>nd</sup> edition! You will be credited! I have already made the change in my corrections copy of the book.